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RECORDATION NO. 8797-E

SEP 30 1977-12 15 PM

7-2731074  
FEDERAL INTERSTATE COMMERCE COMMISSION

September 30, 1977

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BRUCE BROMLEY  
ROSWELL L. GILPATRICK  
ALBERT R. CONNELLY  
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PAUL M. DODYK  
RICHARD M. ALLEN  
THOMAS R. BROME  
ROBERT D. JOFFE  
ROBERT F. MULLEN  
ALLEN FINKELSON  
RONALD S. ROLFE  
JOSEPH R. SAHID  
PAUL C. SAUNDERS  
MARTIN L. SENZEL

Dear Sir:

Enclosed herewith on behalf of First Security Bank of Utah, National Association, for filing pursuant to Section 20c of the Interstate Commerce Act, is an ASSIGNMENT OF LEASE AND AGREEMENT dated as of September 30, 1977, between:

SSI RAIL CORP.  
Two Embarcadero Center  
San Francisco, California 94111

and

FIRST SECURITY BANK OF UTAH, National  
Association, as Trustee  
79 South Main Street  
Salt Lake City, Utah 84125

The enclosed Assignment effects assignment of a Lease Agreement dated as of April 24, 1977, between SSI Rail Corp. and Alabama State Docks Department, an Agency of the State of Alabama, doing business as Terminal Railway, Alabama State Docks, which Lease Agreement was filed and recorded with the Interstate Commerce Commission on April 27, 1977, at 12:45 p.m., under recordation number 8797. The railroad equipment covered by such Lease and the enclosed Assignment is described as follows:

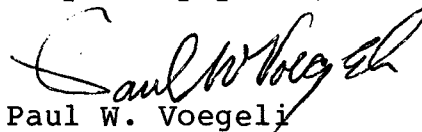
110 70-ton, 50'6", boxcars (AAR Mechanical Designation XM), bearing the identifying numbers TASD 77001 to TASD 77110, both inclusive.

RECEIVED  
SEP 30 1977  
FEDERAL INTERSTATE COMMERCE COMMISSION

Identifying marks on all of the foregoing equipment:  
The words, "OWNED BY A BANK OR TRUST COMPANY UNDER A  
SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE  
ACT, SECTION 20C," printed on each side of each unit.

Four copies of the Assignment, an extra copy of  
this letter and a check for \$10 are enclosed. Please stamp  
the three extra copies of the Assignment and the extra copy  
of this letter and return them to the delivering messenger  
who will wait.

Very truly yours,



Paul W. Voegeli

The Secretary,  
Interstate Commerce Commission,  
Washington, D. C. 20423

41

Encls.

SEP 30 1977-12 15 PM

**INLANDERSTATE COMMERCE COMMISSION**

ASSIGNMENT OF LEASE AND AGREEMENT dated as of September 30, 1977 (hereinafter called this Assignment), by and between SSI Rail Corp., a Delaware corporation (together with its successors and assigns, being hereinafter called SSI) and FIRST SECURITY BANK OF UTAH, National Association (hereinafter called the Trustee).

WHEREAS SSI has entered into an Equipment Trust Agreement dated as of March 15, 1977 (such Equipment Trust Agreement, together with any amendments or supplements thereto, being hereinafter called the Agreement); and

WHEREAS SSI and Alabama State Docks Department, an agency of the State of Alabama, doing business as Terminal Railway, Alabama State Docks (hereinafter called the Lessee) have entered into a lease of Equipment (as defined in the Agreement) dated as of April 4, 1977 (such lease, together with any amendments or supplements thereto, being hereinafter called the Lease), providing for the leasing by SSI to the Lessee of units of the Trust Equipment (as defined in the Agreement); and

WHEREAS the Lease may also cover the leasing to the Lessee of other equipment not included as part of the Trust Equipment; and

WHEREAS in order to provide security for the obligations of SSI under the Agreement and as an inducement to the investors for which the Trustee is acting to purchase Trust Certificates (as defined in the Agreement), SSI agrees to assign for security purposes its rights in, to and under the Lease to the Trustee as and only to the extent that the Lease relates to the Trust Equipment;

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. SSI hereby assigns, transfers and sets over unto the Trustee, as collateral security for the payment and performance of SSI's obligations under the Agreement, all of SSI's right, title and interest, powers, privileges and other benefits under the Lease as and only to the extent that the Lease relates to the Trust Equipment, including, without limitation, all rights to receive and collect all rentals,

profits and other sums payable to or receivable by SSI from the Lessee under or pursuant to the provisions of the Lease to the extent that the same are payable in respect of the Trust Equipment, whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the Payments); provided, however, that until an Event of Default under the Agreement, or any event which with notice or lapse of time or both, could constitute such an Event of Default, shall occur, it is understood that SSI shall be entitled to collect and receive all such Payments and to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to apply all Payments to which SSI is entitled to the payment of any and all of SSI's obligations under the Agreement. In furtherance of the foregoing assignment, but subject to the foregoing provisions of this paragraph, SSI hereby irrevocably authorizes and empowers the Trustee in its own name, or in the name of its nominee, or in the name of SSI or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which SSI is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Whenever a Lease covers other equipment not included as part of the Trust Equipment and the amount of any payment due to SSI under such Lease as car hire payments (including both straight and incentive per diem), mileage charges or other rental revenues is calculated on an aggregate basis for all equipment leased thereunder, for the purposes of this Assignment an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed to be payable with respect to the Trust Equipment leased under such Lease. The term "Assigned Fraction" as used herein shall mean a fraction the numerator of which shall be the number of units of equipment comprising the Trust Equipment leased under such Lease and the denominator of which shall be the aggregate number of units of equipment (including the units of Trust Equipment) at the time leased under such Lease.

2. This Assignment is executed only as security for the obligations of SSI under the Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of SSI under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of SSI to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against SSI or persons other than the Trustee.

3. To protect the security afforded by this Assignment, SSI agrees as follows:

(a) SSI will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by SSI.

(b) At SSI's sole cost and expense, SSI will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of SSI under the Lease.

(c) Should SSI fail to make any payment or to do any act which this Assignment requires SSI to make or do, then the Trustee, but without obligation so to do, after first making written demand upon SSI and affording SSI a reasonable period of time within which to make such payment or do such act, but without releasing SSI from any obligation hereunder, may make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee, and also the right to perform and discharge each and every obligation, covenant and agreement of SSI contained in the Lease; and in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and SSI will reimburse the Trustee for such costs, expenses and fees.

4. Upon the full discharge and satisfaction of all of SSI's obligations under the Agreement and this Assignment, all rights herein assigned to the Trustee shall terminate, and all estate, right, title and interest of the Trustee in and to the Lease shall revert to SSI.

5. SSI will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure, the interests of the Trustee hereunder.

6. If an Event of Default shall occur and be continuing under the Agreement, the Trustee may assign all or any of the rights assigned to it hereby or arising under the Lease, including without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder. The Trustee will give written notice to SSI and the Lessee of any such assignment.

7. This Assignment shall be governed by the laws of the State of Utah, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective names, by officers thereunto duly authorized, and their respective seals to be affixed and duly attested, all as of the date first above written.

SSI RAIL CORP.,

by

  
Vice President

[Corporate Seal]

Attest:

  
Secretary

FIRST SECURITY BANK OF UTAH,  
National Association, as Trustee,

by

  
Authorized Officer

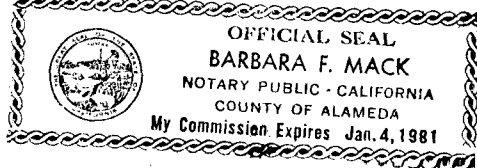
[Seal]

Attest:

  
Authorized Officer

STATE OF CALIFORNIA,       )  
                                  ) ss.:  
COUNTY OF SAN FRANCISCO,)

On this 14 day of September 1977, before me personally appeared Donald H. Gleason, to me personally known, who, being by me duly sworn, says that he is a Vice President of SSI RAIL CORP., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



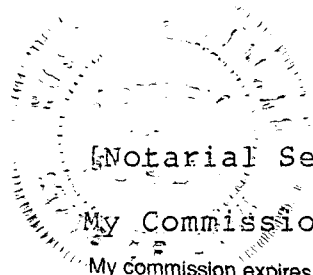
[Notarial Seal]

My Commission expires

Barbara F. Mack  
Notary Public

STATE OF UTAH,       )  
                                  ) ss.:  
COUNTY OF SALT LAKE,)

On this 19 day of Sept. 1977, before me personally appeared ROBERT S. CLARK, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, National Association, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.



[Notarial Seal]

My Commission expires

My Commission expires June 6, 1981

Susan A. Harwood  
Notary Public